



PRISONERS' LEGAL SERVICES OF MASSACHUSETTS

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June 10, 2016

HAND DELIVERED

Ms. Sara Clark
Department Secretary
Department of Telecommunications and Cable
1000 Washington Street, Suite 820
Boston, MA 02118-6500

Re: **PETITION OF INMATE CALLING SERVICE USERS FOR MODIFICATION OF TARIFFS FILED BY SECURUS TECHNOLOGIES, INC., GLOBAL TEL*LINK CORPORATION, DSI-ITI, PUBLIC COMMUNICATIONS SERVICES, AND VALUE-ADDED COMMUNICATIONS, INC, AND MOTION TO CONSOLIDATE WITH DTC 11-16**

Dear Ms. Clark:

Enclosed please find an original and two copies of a Petition of inmate calling service users for modification of tariffs filed by Securus Technologies, Inc. and Globel Tel*Link Corporation and three of its subsidiaries. Please note that Attorney Paul Besozzi has agreed to accept service on behalf of Securus Technologies and Attorney Chérie Kiser agreed to accept service on behalf of GTL and its subsidiaries. Please feel free to contact me should you have any questions. I can be reached at 617-482-2773 x105.

Many thanks for your attention to this matter.

Sincerely,

Elizabeth Matos
Staff Attorney

cc: Paul Besozzi, Counsel for Securus Technologies
Chérie Kiser, Counsel for GTL and Subsidiaries

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND CABLE

No. D.T.C. _____

**PETITION OF INMATE CALLING SERVICE USERS FOR MODIFICATION OF
TARIFFS FILED BY SECURUS TECHNOLOGIES, INC., GLOBAL TEL*LINK
CORPORATION, DSI-ITI, PUBLIC COMMUNICATIONS SERVICES,
AND VALUE-ADDED COMMUNICATIONS, INC,
AND MOTION TO CONSOLIDATE WITH DTC 11-16**

Pursuant to G.L. c. 159, § 14 and 220 CMR § 1.04(d), the Petitioners in D.T.C. 11-16, Petition of Recipients of Collect Calls from Prisoners at Correctional Institutions in Massachusetts Seeking Relief from the Unjust and Unreasonable Cost of Such calls, hereby petition the Department to investigate the Inmate-Calling Services (ICS) tariffs filed by Securus Technologies, Inc. (Securus), Global Tel*Link Corporation (GTL), and three GTL subsidiaries, DSI-ITI, LLC (DSI), Public Communications Services, Inc. (PSC), and Value-Added Communications, Inc. (VAC) (collectively, “Providers”).¹ The Petitioners further request that this investigation be consolidated with DTC 11-16, the existing proceeding on ICS rates, pursuant to 220 CMR § 1.09.

¹ Petitioners protest the following tariffs filed with the Department in May 2016: Public Communications Services, Inc. M.D.T.C Tariff No. 1, DSI-ITI Massachusetts Tariff No. 1, Value Added Communications M.D.T.C Tariff No. 3, Global Tel* Link Corporation M.D.T.C No. 2, and Securus Technologies, Inc. M.D.T.C No. 1. Specifically, Petitioners protest the per minute rate proposed by GTL and its subsidiaries (Public Communications Services, Inc., DSI-ITI, and Value Added Communications) of \$ 0.27 per minute and the per minute rate proposed by Securus Technologies Inc. of \$0.35 per minute. In addition, Petitioners also protest the return check fee of \$20 in the Securus tariff revision (Frist Revised Sheet No. 18), which appears to be prohibited by the FCC’s 2nd Order and Third Notice of Proposed Rulemaking issued in 2015.¹ The prohibition on such ancillary fees went into effect on March 17, 2016 for prisons and will be effective on June 20, 2016 for jails, which is the date the Providers have asked their proposed rates be imposed. Securus provides ICS to jails in Massachusetts.

As the Federal Communications Commissions' recent Second Report and Order² goes into effect for all ICS on June 20, 2016, the Departments' previous authorization of a per-call surcharge of up to \$3.00 will no longer be valid, and its limit of \$0.10 per minute will remain in effect.³ In these tariffs, the Providers seek to fold the surcharge into their per-minute rates, which jump from \$0.10 per minute to \$0.27 per minute for GTL and its subsidiaries, and to \$0.35 per minute in the case of Securus, as if the FCC regulation had never occurred.⁴

This must not be allowed. In DTC 11-16 the Petitioners have provided substantial evidence that the 18-year old surcharge is no longer justified, as ICS costs have fallen dramatically due to changes in technology and increased economies of scale. The Hearing Officer opened an investigation into the surcharge based on this evidence, as well as on voluminous public testimony.⁵ To approve the proposed rates, which explicitly include this surcharge, would negate the Hearing Officer's ruling and short-circuit the ongoing investigation. It would also ignore the FCC's determination that such rates are unjust and unreasonable, and the pleas of hundreds of Massachusetts ICS consumers for lower rates in public hearings.⁶

² *In the Matter of: Rates for Inmate Calling Services*, WC Docket No. 12-375, Second Report and Order and Third FNPRN ("Second Report and Order"), adopted October 22, 2015.

³ See 47 CFR § 64.6080 (prohibiting surcharge); *GTL v. FCC et ano.*, No. 15-1461, Order of March 7, 2016 (D.C. Cir.) (leaving surcharge prohibition in effect); *Investigation by the Dep't of Telecomms. & Energy on its own motion regarding 1) implementation of §276 of the Telecomms. Act of 1996 relative to Pub. Interest Payphones, 2) Entry and Exit Barriers for the Payphone marketplace, 3) New England Tel & Tel. Co. d/b/a NYNEX's Pub. Access Smart-pay Line Service, & 4) the rate policy for operator serv. Providers*, D.P.U/D.T.E. 97-88/97-18 (Phase II) Order on Payphone Barriers to Entry & Exit, & OSP Rate Cap (Apr. 17, 1998) ("1998 Order"). (establishing maximum \$3.00 per call surcharge and \$0.10 per minute rate).

⁴ Securus seeks a rate of \$0.35 per minute by calculating the past cost of a 12-minute call with the \$3.00 surcharge. See Securus "Letter of Explanation," May 18, 2016. GTL and its subsidiaries seek a rate of \$0.27 per minute by similarly calculating the costs of a 15-minute call. See Letter of Explanation, May 20, 2016.

⁵ See DTC 11-16, Hearing Officer's Interlocutory Ruling, September 23, 2013, p. 26, affirmed by Order of the Commissioner on February 26, 2014.

⁶ See <http://www.mass.gov/ocabr/government/oca-agencies/dtc-lp/dtc-11-16.html>.

Furthermore, the filed tariffs seek to maintain a regime in which the Providers have channeled over half their revenues back to the correctional facilities in the form of site commissions, which are nothing more than kickbacks and have more than doubled the ICS rates that prison families are forced to pay. The FCC has made clear that these commissions may not be considered a cost of ICS for purposes of rate-setting.⁷ Nevertheless, Massachusetts Consumers must not be required to continue subsidizing correctional costs through inmate calling, a service that is key to rehabilitation and reentry.⁸

Neither should the proposed rates be approved on an interim basis, as the Providers have requested. This would immediately impose unjust and unreasonable rates on ICS consumers. The Providers have failed to demonstrate a need for an interim rate or to provide any evidence to show that the current \$.10 per minute rate is today confiscatory. While the Petitioners strongly oppose the imposition of an interim rate, if the Department elects to impose one, it should look to the tiered rate structure which the FCC recently established. These rate caps, determined through an extensive analysis of data provided by ICS providers, were designed conservatively to protect provider profits, such that states were encouraged to consider setting lower caps.⁹

Background

This Petition to investigate tariffs filed by the ICS Providers is brought by ICS consumers who are the Petitioners in an existing proceeding investigating ICS rates and quality of service, DTC 11-16. That proceeding, to which GTL, Securus and ICSolutions, Inc. are also parties, was docketed on November 10, 2011. Ruling on the Providers' motions to dismiss, the Hearing Officer in 2013 found sufficient cause to investigate the lawfulness of a \$3.00 cap on per-call

⁷ Second Report and Order ¶¶ 123-124.

⁸ Second Report and Order ¶¶ 3-5.

⁹ Second Report and Order ¶ 210.

surcharges that had been allowed in Massachusetts since 1998, but dismissed the Petitioners' challenge to the \$0.10 cap on per-minute charges, finding that their original petition had not presented sufficient evidence to investigate this rate.¹⁰ However, the Hearing Officer also noted that the per-minute rate could be challenged in a tariff proceeding; while tariffed rates are presumed reasonable, "that presumption is rebuttable," and tariffed rates are not entitled to greater weight than evidence of the reasonableness of other rates.¹¹

Most recently, the Hearing Officer in DTC 11-16 asked the parties to address questions regarding the scope of the proceeding in light of the FCC's Second Report and Order.¹² The relevant portions of the FCC Order prohibit per-call surcharges¹³ and limit per-minute charges for debit calls to \$0.11 in state prisons and \$0.14- \$0.22 per minute in county facilities,¹⁴ but permit states to set lower rates.¹⁵ A federal appeals court stayed the per-call limits¹⁶ but the ban on surcharges took effect with regard to state prisons on March 17, 2016 and will take effect with regard to county facilities on June 20, 2016.

In response to the Hearing Officer's questions, the Providers stated that the investigation in DTC 11-16 should be closed, but they also made clear their opposition to the \$0.10 per minute

¹⁰ See DTC 11-16, Hearing Officer's Interlocutory Ruling at 26. The Hearing Officer also refused to dismiss the Petitioners' claims regarding line quality, dropped calls and billing problems.

¹¹ See *id.* at p. 9 n. 6, quoting G.L. c. 159, § 17,

¹² See DTC 11-16, Notice of Briefing Schedule, March 11, 2016.

¹³ 47 CFR § 64.6080.

¹⁴ 47 CFR § 64.6010. During a phase-in period lasting until July 1, 2018, Providers are permitted to charge higher rates for collect calls.

¹⁵ Second Report and Order at ¶ 210.

¹⁶ See *GTL et al v. FCC et ano.*, No. 15-1461, Order of March 7, 2016 (D.C. Cir.). The stay of the per-minute caps leaves in place a previous, interim cap of \$0.21 per minute for debit and prepaid calling, and \$0.25 per minute for collect calling, which applies only to interstate calls. 47 CFR § 64.6030.

cap and indicated their intention to seek higher rates through tariffing or rulemaking.¹⁷ The Petitioners responded that their challenge to ICS rates was the appropriate venue for investigating the \$0.10 per-minute cap; that the surcharge question should also be decided, since the FCC's prohibition may be overturned on appeal; and that to set rates through rulemaking would be prejudicial to consumers and wasteful.¹⁸ The Hearing Officer's resolution of this dispute is pending. Between May 17 and May 23 the ICS providers filed the tariffs at issue here.

I. The Rates Sought Are Unjust and Unreasonable

A. The Elimination of the Surcharge Does not Justify the Proposed Rates

The filed tariffs seek to enshrine a rate structure based on an 18 year-old surcharge that the Hearing Officer in DTC 11-16 has determined must be investigated. The Providers are clear in their intent to preserve their revenues by incorporating the \$3.00 surcharge into the per-minute rate for a call of average duration.¹⁹ However, the Petitioners in DTC 11-16 have provided evidence that the ICS costs which justified the surcharge in 1998 have dropped tremendously due to the growth of automation and other radical changes in technology; the shift from collect to pre-paid calling; reduced labor costs; increased centralization; and economies of scale in the ICS industry,²⁰ and the Department has found the Petitioners' allegations sufficient to open an

¹⁷ See DTC 11-16, briefs of GTL, Securus and ICSolutions (April 26, 2016) and reply briefs of GTL, Securus and ICSolutions (May 23, 2016).

¹⁸ See DTC 11-16, brief of Petitioners ((April 26, 2016) and reply brief of petitioners (May 23, 2016)).

¹⁹ See Securus "Letter of Explanation," May 18, 2016 (seeking to recover \$4.20 for an "average" twelve minute call); identical Letters of Explanation filed by GTL and its subsidiaries DSI-ITI and PCS on May 20, 2016 and by GTL subsidiary VAC on May 23, 2016 (seeking to recover \$4.05 for a 15-minute call). This would, of course, make the cost of longer-duration calls higher than it was under the surcharge regime. A 20 minute call which previously could cost no more than \$5.00 would, under Securus' tariff, cost \$7 and under GTL and its subsidiaries' rates would cost \$5.40.

²⁰ See Petition, August 31, 2009 at 16-22 (providing web citations for evidence of decreased costs in the ICS industry); Memorandum of Petitioners Opposing Dismissal, March 23, 2012 at

investigation.²¹ To re-impose the old rate structure would grant the Providers a bonanza at the expense of consumers.

As the Hearing Officer noted, the 1998 Order did not employ rate-of-return methodology, but implemented an incentive regulatory scheme. The surcharge was designed to allow ICS providers to recover legitimate costs associated with ICS and to allow providers to reap the benefit of above-average efficiencies, and so it was permissible for the companies to share increased profits with correctional facilities as commissions.²² However, the Hearing Officer held that an incentive regulatory scheme such as the one established for ICS in 1998 “must not go on so long that price caps are maintained on assumptions that become invalid or fail to account for changes in the industry.”²³ It is clear that rates must now be adjusted to account for the Providers’ greatly enhanced profitability.

One demonstration of the need for adjustment is the level of site commissions, which under the 1998 rate caps reached well over 50 percent of ICS revenue.²⁴ The FCC has concluded, based on the evidence submitted to it, that site commissions “are not reasonably related to the provision of ICS and should not be considered in determining fair compensation for ICS calls.”²⁵ The FCC, considers site commissions to be an “apportionment of profits, and

7; Petitioners’ Appeal of Hearing Officer Interlocutory Ruling, October 16, 2013, at 5-6 (further discussing decline of costs in ICS industry).

²¹ See Hearing Officer’s Interlocutory Ruling at 26.

²² *Id.* at 24; 1998 Order at 9.

²³ Hearing Officer’s Interlocutory Ruling at 24.

²⁴ See Response of Petitioners to Information Requests of Global Tel* Link and Securus Technologies, Response to Securus 1-3 and 1-4 which includes multiple correctional ICS contracts and commission reports, filed with the DTC on 4/29/14 and located at bate stamp #s 1-003747 and 003766-003848; Second Amendment to GTL contract with Massachusetts DOC, attached as Ex. 1 to Petitioners Reply in Response to Hearing Officer’s Notice (May 23, 2016) (commissions of 55 percent).

²⁵ Second Report and Order ¶ 123.

therefore irrelevant to the costs we consider in setting rate caps for ICS.”²⁶ Similarly, the Hearing Officer in DTC 11-16 held, “[w]hether an ICS provider treats those extra earnings [from improved productivity] as profit, or utilizes them to improve its bidding position to provide ICS through offering lower rates or more generous commissions to a correctional facility, is at the discretion of the provider.”²⁷ The fact that these “extra earnings” now exceed 50 percent of revenues clearly indicates the need to adjust rates.

The Providers have consistently defended the use of site commissions as a necessary requirement in order to gain ICS contracts, and as helping – at least in part – to pay for costs incurred by facilities related to ICS. Neither rationale holds up. Massachusetts law does not require that site commissions be paid. Should rate caps be set that do not allow for commissions at the current high levels, the standard Massachusetts government form used for ICS contracts contains a change of law provision that would allow for the renegotiation of contracts.²⁸

Nor are commissions necessary to ICS provision. Those paid to the DOC are transferred to the General Fund of the Commonwealth, and not available to the DOC.²⁹ Site commissions paid to county facilities are placed in an inmate benefit fund for use by the facilities.³⁰ These facilities have vociferously defended site commissions – not as a means of recovering ICS-related costs, but rather as a means of paying for educational and treatment programs and other benefits for prisoners. In the public hearing held in DTC 11-16, a representative of the Suffolk

²⁶ *Id.* at ¶124.

²⁷ Hearing Officer’s Interlocutory Ruling at 24.

²⁸ *See* Response of Petitioners to Information Requests of Global Tel* Link and Securus Technologies, filed with the DTC on 4/29/14, Response to Securus 1-3 including the Standard Contract Form located at bate stamp #s 003743-003747.

²⁹ *Id.* at 4, citing G.L. c. 29 § 2 (April 1, 2003).

³⁰ *See* DTC 11-16, Memorandum of Petitioners Opposing Dismissal (March 23, 2012), Ex. 1, “An Act transferring county sheriffs to the Commonwealth,” Senate. No. 2045, Section 12.a (enactment of the Senate and House of Representatives providing that inmate telephone funds shall remain with the office of the sheriff in abolished counties) (2009).

County Sheriff's Department urged the Department to sustain commissions precisely because they are used solely to benefit prisoners, through educational and treatment programs and inmate supplies.³¹ "The [site commission] funds that we derive that go into that inmate benefit fund have to be spent for the benefit of inmates...They aren't used for staff. This is not used for building maintenance. This is used to benefit simply the inmates themselves."³²

Allowing rates to remain exorbitant in order to fund rehabilitation programs is absurd social policy, especially given that reducing barriers to such communication has been shown to lower recidivism and provide immeasurable benefit to children of incarcerated parents.³³ More importantly, the payment of commissions may not lawfully be authorized at its current extreme. Permitting Providers to double ICS rates for purposes unrelated to ICS costs is incompatible with the Department's mandate to set just and reasonable rates.

It is conceivable that in at least some counties site commissions may, in part, be used to defray the costs of activities related to facilitating ICS, by helping to pay for correctional escorts to telephones, recording and monitoring of calls, etc. But providing access to telephone communication with lawyers and loved ones is a core correctional function, which benefits prisons and society at large.³⁴ Access to telephones is as necessary to a well-run prison as recreation space or a visiting room. Prison families should no more be forced to pay for the monitoring of phone calls than they should be charged for the correctional officers who monitor prison visits or mail. Indeed, call monitoring is not done in order to facilitate the provision of ICS, but rather to gather intelligence and provide for institutional security, which are correctional

³¹ DTC 11-16, Public Hearing testimony, July 19, 2012, Testimony of Russ Homsey, Assistant General Counsel for the Suffolk County Sheriff's Department, p. 88, attached as Ex. 1.

³² *Id.* at 91-92.

³³ Second Report and Order ¶¶ 3-5.

³⁴ *Id.*

functions. The Supreme Judicial Court has held that prisoners may not be forced to pay for any of the costs of their incarceration without explicit statutory authorization.³⁵

Site commissions are not a cost of ICS. They are, as the Hearing Officer said, a way for ICS providers to improve their bidding positions with correctional facilities.³⁶ And they have mushroomed into an intolerable burden on a low-income and vulnerable group of consumers, which is perpetuated in the proposed tariffs. While the Providers are free to share profits with facilities in the form of commissions, they may not ask consumers to subsidize this by doubling the rates charged. The Department must establish just and reasonable rate caps in order to protect ICS consumers from a non-competitive marketplace.³⁷

B. Plentiful evidence suggests that ICS can be provided within the current rate cap of \$0.10 per minute

GTL's most recent contract with DOC provides ICS at \$0.10 per minute and still offers commissions of 55 percent³⁸, demonstrating how profitable ICS has become – without commissions, GTL could provide service at under \$0.05 per minute and still make a profit. Indeed, the FCC noted seven states where ICS providers have been willing and able to provide service for \$0.05 to \$0.06 per minute.³⁹ GTL's publicly posted rates show per-minute charges of \$0.10 or less in fifteen states, with eight of these at \$0.06 or under, and the New York

³⁵ See *Souza v. Sheriff of Bristol County*, 455 Mass. 573 (2010) (invalidating daily incarceration fees, medical copayments, GED testing fees, and haircut fees charged by county sheriff). Furthermore, any such ICS-related costs cannot possibly justify doubling ICS rates to pay 50 percent commissions. Facilitating telephone access is no more than a tiny portion of any Correctional Officers' duties and is appropriately part of an Officer's job – just as supervising visitation or rehabilitative programming. It is not even clear that the monitoring of telephone calls is much of an expense, as it is generally done selectively, by recording all calls and then reviewing calls when relevant to an investigation.

³⁶ Hearing Officer's Interlocutory Ruling at 24.

³⁷ 1998 Order at 9.

³⁸ See *supra*, n. 24.

³⁹ *Id.*, at ¶ 49.

Department of Correctional Services at \$0.048 per minute.⁴⁰ The Petitioners in DTC 11-16 submitted expert affidavits concluding that ICS can profitably be provided for \$0.07 per minute.⁴¹ These affidavits pointed to the plummeting costs of ICS due to changes in technology, and noted that at least nine states at that time provided ICS as cheaply as \$0.04, \$0.05 and \$0.07 per minute, which is an indication that ICS can be offered for under \$0.10 given the “lack of variability of costs” between states.⁴²

Smaller county facilities may have higher costs, but if ICS can profitably be offered (without commissions) at under \$0.05 in the MA DOC and at similarly low rates elsewhere, there is no reason to believe it could not be offered profitably at \$0.10 per minute in Massachusetts’ county houses of corrections. The FCC found that, on the whole, jails had higher costs, largely because prisons have more stable, long-term populations, and less “churn” (or turnover) than jails, and thus a lower share of costs such as setting up an account, allowing an initial free call, or closing an account.⁴³ Massachusetts differs from most states, however, in that its county facilities house populations with far longer sentences than in other states.

Massachusetts county facilities house prisoners sentenced to 2.5 years or less, while county

⁴⁰ See Ex. 2, printed out from GTL’s affiliate connectnetwork.com. State DOC’s charging \$0.06 or less include Delaware, Maryland, Minnesota, New Jersey, New York, Ohio, Rhode Island and Virginia; those charging between \$0.06 and \$0.10 include Arizona, California, Massachusetts, North Carolina, Nebraska and South Dakota; South Carolina DOC charges \$0.09 for pre-paid calls but \$0.11 for collect. Four additional states charge \$0.11: Florida (for pre-paid; collect is \$0.12), Mississippi, Tennessee and Washington. Similar information is not available for Securus because it does not publicly post a list of rates, but rather requires consumers to input a calling number and get a quote for each facility.

⁴¹ See Eh. 2 to Petitioners’ Appeal, DTC 11-16 (Oct. 16, 2013), Second Affidavit of Douglas A. Dawson, attaching Declaration of Coleman Bazelon in the FCC proceeding, WC 12-375. The Commissioner at that juncture declined to consider this evidence because it had not been presented to the Hearing Officer. DTC 11-16, Order on Appeal, February 26, 2014.

⁴² Dawson Affidavit p. 3.

⁴³ *Id.* at ¶ 33. The FCC also found higher costs in jails because prison populations make fewer, but longer, calls and incurred fewer bad debt costs than jail populations, *id.*, and because prisons benefit from economies of scale. *Id.* at ¶ 34.

facilities in nearly every other state hold only those sentenced to 1 year or less.⁴⁴ With populations serving substantially longer sentences, Massachusetts counties have far less “churn,” more stable populations, and correspondingly lower ICS costs. And there are counties in other states which offer ICS at rates well below \$0.10.⁴⁵

C. The Proposed Rates are Unjust and Unreasonable Under the FCC’s Evidence and Analysis

After twelve years of proceedings, the FCC on November 5, 2015 established tiered rate caps for ICS in order to “answer the call of those millions of citizens seeking ICS reform.”⁴⁶ The Report stated, “there is little dispute that the ICS market is a prime example of market failure,” in

⁴⁴ Massachusetts, Colorado, Iowa, Maryland, North Carolina, Pennsylvania, and Vermont are the only states which send people with sentences longer than one year to county jails. See <https://cslcivilrights.com/2015/03/10/the-laws-are-a-changin-a-look-into-the-north-carolinas-statewide-misdemeanant-confinement-program> (North Carolina); www.myoregondefenselawyer.com/criminal-charges (Oregon); <http://statelaws.net/South-Dakota-Felony.php> (South Dakota); “State Prisoners in County Jails” page 13 <http://www.naco.org/sites/default/files/documents/State%20Prisoners%20in%20County%20Jails%20Updated.pdf> (South Carolina); <http://misdemeanorguide.com> (Pennsylvania, Rhode Island and South Dakota); <http://www.criminaldefenselawyer.com/topics/classification-crimes> (all other states).

⁴⁵ In New Jersey, GTL’s contract with the Department of Correction has provided ICS rates of under \$0.05 per minute since April 27, 2015. See http://www.state.nj.us/treasury/purchase/noa/contracts/t1934_14-x-22648.shtml#documen2. At least 16 New Jersey counties have adopted this contract in recent years, and while it is difficult to determine the current contract for most counties, Bergen County and Cumberland County adopted the GTL contract in February 2016 and July 2015, respectively. Seven other counties currently list GTL as their vendor. See websites of Atlantic, Hudson, Middlesex, Morris, Ocean, Sussex and Union Counties’ websites currently list GTL as their vendor. See <http://www.aclink.org/publicsafety/pdf/jail-information-guide2016.pdf>; <http://www.hudsoncountynj.org/hecc-links>; www.co.middlesex.nj.us/Government/Departments/PSH/Pages/adult_telephone.aspx; <http://morriscountynj.gov/corrections/inmate-visitationinformation>; <http://www.co.ocean.nj.us/CorrectionsWebSite/ContentPage1.aspx?ID=ce4ce91e-810b-4281-a3fd-1d781d246599>; http://www.sussexcountysheriff.com/corrections/inmate_visitation/; <http://ucnj.org/correctional-services/inmate-mail-accounts/>; see also Exh. 2 attached to Petitioners’ Reply to Hearing Officer’s Notice of March 18, 2016.

⁴⁶ Second Report and Order ¶ 2.

which “ICS providers operate as unchecked monopolists.”⁴⁷ Accordingly, it established rate caps “designed to ensure that efficient providers will recover all legitimate costs of providing ICS, including a reasonable return.”⁴⁸ Debit calls were limited to \$0.11 per minute in state prisons and \$0.14- \$0.22 per minute in county facilities, while collect calls would be phased in from \$0.11 in prisons and \$0.49 in jails to the debit calling caps by July 1, 2018. The FCC set these caps high enough that states were encouraged to set lower rates. The report notes evidence that ICS can be provided at \$0.05 per minute, and adds, “State requirements that result in rate caps below our caps advance our purpose and there is no credible record evidence demonstrating or indicating that any requirements that result in rates below our conservative caps are so low as to clearly deny providers fair compensation.”⁴⁹

The Providers nevertheless ask the DTC for the *status quo ante*, without even a nod to the FCC’s determination that such rates are unjust and unreasonable. The fact that the rate caps have been stayed, and challenges to them will be decided in federal court is no reason to discard the FCC’s research and analysis. Arguments over the FCC’s jurisdiction to cap intrastate rates have no bearing on the Department’s unquestioned authority to do so. Arguments that the caps are too low are seriously flawed, and the Department should not defer to them in light of the weight of evidence and logic in the FCC’s Order.

Challengers have asserted that the FCCs rate caps are too low because they wrongly exclude commissions as a cost of ICS and because they do not accommodate the highest-cost Providers.⁵⁰ Even if commissions are “required” by existing contracts or by laws in some

⁴⁷ *Id.*

⁴⁸ *Id.* ¶ 96.

⁴⁹ *Id.* at ¶ 210.

⁵⁰ See *GTL et al v. FCC et ano.*, No. 15-1461, (D.C. Cir.), Brief of State and Local Government Petitioners (June 6, 2016); Joint Brief for the ICS Carrier Petitioners (June 6, 2016). The filings are not attached here due to their length but the Petitioners’ will provide them upon request. The

jurisdictions, that is clearly not the case in Massachusetts. Just as GTL re-negotiated its contract with DOC after the elimination of the \$3.00 surcharge, contracts with county facilities must all be renegotiated as the FCC's prohibition on surcharges takes effect. The law permits the Providers to share profits in the form of commissions, but it does not dictate the level of commissions to be set in arms-length negotiations between Providers and facilities. As discussed *supra*, commissions are not used to cover ICS costs but rather core correctional expenses. They are a regressive tax on ICS consumers that some Providers employ to gain advantages in securing ICS contracts.

One group of Providers, including GTL and Securus, has argued that even if commissions are excluded, the FCC caps are below ICS costs in some jurisdictions.⁵¹ The FCC has not yet responded in court, but its Order explained why even Providers who reported the highest costs could be fairly compensated under the caps. First, the FCC noted that reported costs were likely inflated

Our analysis shows that providers generally may have been over inclusive in reporting their costs and that the supply of ICS is not fully competitive, implying Providers may have over-reported costs and that the adopted rate caps are conservative. We also note that no providers have submitted evidence that their higher costs may be attributable to higher-quality or more technologically advanced ICS.⁵²

The FCC observed that the reported costs of the seven largest firms (including GTL and Securus) exceeded the costs of smaller firms, when economies of scale would lead one to expect the reverse, and concluded that either the larger firms' costs are above efficient levels, or those firms are inefficiently large and should not be subsidized.⁵³ The FCC also noted that other providers had asserted flaws in the data provided by GTL and Securus, and disputed GTL's and Securus'

FCC Brief will be due on August 5, 2016 and that of intervenors defending the regulation on August 22, 2016.

⁵¹ Brief for the ICS Carriers at 29-39.

⁵² Second Report and Order at ¶ 59.

⁵³ *Id.* at ¶¶ 60, 61.

claims that the FCC's proposed rates were too low to permit cost recovery.⁵⁴ GTL and Securus were criticized for claiming a cost of capital of 11.25 percent, without supporting this rate, and for also including the cost of financing and interest expenses, potentially double-counting those expenses.⁵⁵

The proposed tariffs should not be presumed reasonable in the face of the testimony, data collection and analysis reflected in the FCC's Report and Order. The harms of excessive ICS charges so eloquently set forth in the FCC's order, and expressed by testimony from hundreds of Massachusetts' consumers in DTC 11-16, would continue. The FCC suggested that rates well below its caps may be just and reasonable,⁵⁶ and its analysis demonstrates the need for the Department to determine just and reasonable ICS rates.

II. The Proposed Rates Should Not Be Permitted on an Interim Basis

For all of the reasons set forth above, the proposed rates should not be imposed on consumers even on an interim basis. The unique costs of ICS that justified the \$3.00 surcharge in 1998 are no longer justified and cannot be folded in to per-minute rates now. Indeed, those calling for longer than the 12 and 15 minutes used by GTL and Securus, respectively, to calculate the per-minute rates would now pay more than they had previously. Furthermore, the proposed rates require a largely poor and vulnerable group of consumers to subsidize Commissions that effectively more than double ICS rates. ICS charges which permit commissions at such high levels are *prima facie* unjust and unreasonable.

An investigation must ultimately determine a just and reasonable rate, based on contemporary ICS costs and practices. In the interim, the Providers have provided no evidence

⁵⁴ *Id.* at ¶ 70.

⁵⁵ *Id.* at ¶72.

⁵⁶ *Id.*

demonstrating a need for relief from the current legal limit of \$0.10 per minute. GTL clearly can provide ICS profitably at this rate, as it does so through its DOC contract while offering commissions of 55 percent, meaning that GTL retains only \$0.045 per minute. This demonstrates that, if commissions are not factored as a cost, ICS can be offered at f \$0.10 or less even in smaller facilities, even if their costs are higher than in the DOC. As noted above, GTL itself provides ICS at \$0.06 or under in several jurisdictions.

Alternately, the FCC rate caps provide a prudent interim alternative. As discussed above, these rates were set conservatively and designed to protect profitability, and the FCC itself encouraged states to set lower rates. While subject to legal challenge, these rates were exhaustively researched and supported by voluminous data gathering. The legal challenge to these rates does not undermine their utility. The Hearing Officer in DTC 11-16, in a ruling affirmed by the Commissioner, already indicated that commissions are appropriately considered profit sharing rather than a cost of ICS.⁵⁷ The arguments made by some Providers that the rates are too low even without commissions are refuted by the FCC's analysis, as discussed above. While the Petitioners believe that an investigation by the Department will support lower rates, the FCC caps at least offer some measure of protection from the profiteering and kickbacks that have prevailed under the \$3.00 surcharge and are reflected in the proposed rates.

III. The Department Should Consolidate this Petition with DTC 11-16

A. Consolidation is Appropriate

Assuming the DTC agrees to open a separate adjudicatory matter regarding this petition's protest of the ICS Providers' proposed changes to the tariffs, the matter should be consolidated with DTC 11-16. Under 220 CMR §1.09, the DTC may consolidate proceedings involving

⁵⁷ See supra note 36.

common issues of law or fact.⁵⁸ The two matters clearly involve common issues of law *and* fact as they are about determining just and reasonable ICS rates in Massachusetts and necessarily require the Department to reconsider the ICS rate structure currently in place. Furthermore, both actions would require the Department to gather and assess information through discovery necessary to make such determinations. Consolidation, therefore, is completely appropriate under the rules.

B. Consolidation Will Avoid Prejudice to Consumers and Waste of Resources.

Any consideration of a proposed increase in rates by the Providers of ICS in Massachusetts should occur in DTC 11-16 because to do otherwise would prejudice consumers of ICS and waste resources. Establishing rates through a separate adjudicatory tariff proceeding would prejudice Petitioners and ICS consumers because their interests are already the subject of DTC 11-16. Since DTC 11-16 was brought under the 20 ratepayer statute (G.L. c. 59 §24) it is, by nature, a proceeding brought in the interest of the public, and specifically, the class of consumers most impacted by these rates. Accordingly, as required by the statute, the Department held an extensive public hearing in that action in July of 2012 during which it heard and received comments from hundreds of impacted consumers regarding all issues initially raised by Petitioners, including the per-minute rate.⁵⁹ The concerns raised by those consumers are directly related to the Department's investigation into the potential impact on the public of the tariff revisions. Consolidation of the matters would ensure that those public comments are fully considered by the Department in determining the reasonableness of those rates.

⁵⁸ See 220 CMR 1.09.

⁵⁹ <http://www.mass.gov/ocabr/government/oqa-agencies/dtc-lp/dtc-11-16.html>.

In addition, it would be a waste of the Agency's resources to consider a change to the per-minute rate in a separate tariff proceeding. The petition in DTC 11-16 was filed seven years ago and docketed over four years ago. All parties, including the Petitioners, have invested significant resources in that matter. The Petitioners have served extensive discovery requests on the parties which are directly relevant to the Providers' costs and justifications the Providers might have for now asserting that an increase in the per-minute rate is warranted.⁶⁰ Furthermore, the Petitioners have asked the Hearing Officer in DTC 11-16 to maintain the investigation into quality of service and billing issues, and it makes little sense to have rates addressed in a separate proceeding. Although Petitioners would make every effort to participate in both proceedings, being involved in multiple active proceedings would seriously tax the resources of many Petitioners who are low-income or incarcerated. It will be far more efficient for all parties for the Department to consolidate the investigation into the reasonableness of the per-minute ICS rate and rate-setting mechanism with DTC 11-16. The Department has, in fact, consolidated matters in similar circumstances to prevent waste of Agency resources and in fairness to the parties involved.⁶¹ In the interest of administrative efficiency and fairness, therefore, the Department should consolidate the two dockets as it has previously under similar circumstances.

⁶⁰ <http://www.mass.gov/ocabr/docs/dtc/dockets/11-16/pls1stirsgtl.pdf>,
<http://www.mass.gov/ocabr/docs/dtc/dockets/11-16/plsreqproddocgtl.pdf>,
<http://www.mass.gov/ocabr/docs/dtc/dockets/11-16/pls1stirssecurus.pdf>,
<http://www.mass.gov/ocabr/docs/dtc/dockets/11-16/plsreqdocsecurus.pdf>,
<http://www.mass.gov/ocabr/docs/dtc/dockets/11-16/pls1stirsics.pdf>,
<http://www.mass.gov/ocabr/docs/dtc/dockets/11-16/plsreqproddocics.pdf>

⁶¹ See *Order Consolidating Proceedings, In the Matter of Comcast Cable Communications Inc.* Docket no. CTV 04-3/CTV 04-4 (October 21, 2004) available at: <http://www.mass.gov/ocabr/docs/dte/catv/orders/ctv043044ordrconsldt.pdf>; see also *Order to Consolidate, In re Elec. Industry Restructuring Notice of Inquiry/Rulemaking* DPU 96-44 (November 27, 1996).

Conclusion

For the reasons discussed above, the Department should open an investigation into the tariffs proposed by Securus, GTL and GTL's subsidiaries, and it should consolidate this investigation with DTC 11-16. The Department should suspend any increase in rates pending that investigation, and during the course of an investigation should maintain tariffs at \$0.10 or adopt the rate structure recently established by the FCC.

Date: June 10, 2016

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1 MR. HOMSY: Good afternoon. I am Russ
2 Homsy. I am the Assistant General Counsel with the
3 Suffolk County Sherriff's Department.

4 THE HEARING OFFICER: Since you are
5 not entered into this matter, if I could just ask you
6 to spell your name for the court reporter.

7 MR. HOMSY: Sure, R-U-S-S-E-L-L,
8 H-O-M-S-Y.

9 THE HEARING OFFICER: And the phone
10 number I have for you is 617-704-6535.

11 MR. HOMSY: That's correct.

12 THE HEARING OFFICER: Then you may
13 begin.

14 MR. HOMSY: Thank you. I just wanted
15 to point out that the use for the funds we receive
16 from the commissions, what those are actually used
17 for.

18 Those funds are generally used for lots
19 of inmate programming. Life-skills programs, GED
20 programs for inmates, vocational programs and
21 reentry programs. They're also used for inmate
22 supplies. These are generally not of the types that
23 are necessary but things that help inmates during the
24 time of their incarceration like library supplies,

1 certain recreational supplies, computers and
2 software. This is what the funds from those
3 commissions derived are used to spend on.

4 I also want to point out that the
5 telephone systems that are used in these facilities
6 are not garden-variety telephone systems, which is
7 what I'm hearing it's often compared to. Where you
8 buy a calling card and it's very similar in terms of
9 the cost of those systems.

10 Here we have a system that's tied to
11 inmate accounts, which costs considerably more.
12 There's a very advanced system in place for
13 monitoring the telephone calls. And it protects the
14 public and victims from harassing calls. It also
15 provides unfettered attorney-client communication.
16 Those are all things that are used as part of this
17 system.

18 The benefits of those funds I think we
19 all can agree are beneficial to the inmates
20 themselves. They are beneficial to the staff and
21 security of the institutions. And they are also very
22 beneficial to the public as a whole.

23 Those funds are used to help prevent
24 recidivism. They provide security to the staff at

1 the institution. They provide security to the
2 inmates themselves. We overhear during the
3 monitoring of telephone calls whether there is going
4 to be a hit on a particular inmate.

5 It's also used to help provide
6 assistance in classification of inmates. One of the
7 most important functions in an institutions is to
8 make sure that inmates that are a danger to each other
9 are put into separate areas. This provides a
10 valuable tool for classification.

11 It also prevents contraband
12 potentially from entering the facility. And it
13 provides security to the public with a very valuable
14 law enforcement tool.

15 The effect of a fee reduction for those
16 commissions would be complete loss or a virtual
17 complete loss of the programming that I just
18 mentioned, a reduction of the inmate supplies that
19 I just mentioned that would result in higher levels
20 of recidivism, increased security concerns and
21 increased downtime for the inmates.

22 That provides also a mental-health
23 problem for the inmates. There would simply be less
24 for them to do during their incarceration, more

1 downtime. What I think we have going on here really
2 is, I think we all can agree that use of those funds
3 is very beneficial to all those inmates.

4 What we are trying to do, I think, is
5 to shift the burden of those fees from the inmates
6 themselves and their families to the taxpayer.
7 There is just simply no additional tax revenue to make
8 up that budget shortfall.

9 And I'm hearing a lot of people
10 classifying the population that is affected by these
11 particular fees as either poor or minority. But I
12 think the more appropriate categorization of these
13 people are people that are incarcerated for the
14 commission of a crime.

15 These are the people where the burden
16 has been placed. Notwithstanding the fact that
17 there is simply no additional budget funding and that
18 if these commissions are reduced, these programs are
19 going to disappear. And placing the burden for those
20 fees on those that are benefiting the most is really
21 what is actually fair.

22 By law, the funds that we derive that
23 go into that inmate benefit fund have to be spent for
24 the benefit of the inmates. These are not funds that

1 go to the general fund for the sheriffs or the state
2 facilities to just use for general appropriations.

3 These aren't used for staff. This is
4 not used for building maintenance. This is used to
5 benefit simply the inmates themselves.

6 Dan Martini, the CFO from my office
7 would like to just speak to some of the detail
8 specificity as to the program loss that would result
9 in a reduction of these commissions. Thank you.

10 THE HEARING OFFICER: Daniel Martini.

11 MR. MARTINI: Good morning.

12 THE HEARING OFFICER: Good morning or
13 good afternoon. If I could ask you to spell your name
14 and provide your contact information for the court
15 reporter.

16 MR. MARTINI: Sure. It's Daniel
17 Martini. I am the CFO at the Suffolk County
18 Sheriff's Department. My telephone number is
19 617-704-6531. I think I provided my email address.

20 THE HEARING OFFICER: Yes, you did.

21 MR. MARTINI: I just wanted to briefly
22 point out a couple of facts that face some of the
23 sheriff's departments and certainly the Suffolk
24 County Sheriff's Department. Having been with the

1 Suffolk County Sheriff's Department for the last 25
2 years, I've seen how the budget cycles have gone.
3 And in the last six, seven, eight years the budget
4 cycle has been going in a downward trend similar to
5 the national economy.

6 A lot of the things that we fund through
7 the telephone commission funds that come in, really
8 are supplementing the things we would not be able to
9 do as a result of the loss of basically appropriations
10 that we have received.

11 When Russ Homsy mentions programs, we
12 have a series of vocational programs where we
13 actually take those funds and have our inmates learn
14 things like food sanitation programs so they can seek
15 gainful employment in places like restaurants and
16 food prep areas in hotels.

17 We also provide OSHA certification for
18 the inmates so that they can go into any construction
19 world and be able to say I have my OSHA certification.
20 A lot of the benefits that are derived as a result
21 of the funds that are received go directly to the
22 inmates exactly as Russ Homsy has just mentioned.

23 Recently, the Commonwealth of Mass.
24 had cut all of the HIV state grant funding to the

1 sheriffs' departments. Because we receive these
2 commissions, we were able to continue our HIV
3 programming, which is critical and really important
4 to the inmate populations, because it's a highly
5 affected population.

6 Had we not had those kind of fundings
7 when the State cut the HIV programming that
8 essentially would have meant for Suffolk County that
9 there would be no HIV programming.

10 So, it isn't just a simple matter of
11 saying that these funds are going to the
12 Commonwealth. They're not. They're going directly
13 to the benefit of the inmates and that is exactly what
14 we are using the funds for.

15 We have another program called Project
16 Place, which is a step-down mentoring program so we
17 try to reintegrate inmates into our communities.
18 And it's done through a series of programs that they
19 have to go through within the facility. Then there
20 is a mentorship program where they actually meet with
21 mentors. When they are released, they continue that
22 relationship on the outside to help them to
23 reintegrate into the community.

24 So, these and many other types of

1 programs would all but fade away if not for the fact
2 that we are receiving commission-based revenues.
3 That is the only point I really wanted to make is that
4 in reality if we lose the commissions, the State is
5 not going to then turn around and say, here's more
6 money for you to do these things. They are not and
7 they haven't. Just like HIV happened this year, we
8 know that's not going to happen because of the
9 downward trend in the economy right now.

10 That is really the only point I wanted
11 to make is that a lot of these things would go away
12 if the commissions go away.

13 THE HEARING OFFICER: I am going to go
14 off the record just for a moment.

15
16 (A recess was taken)

17
18 THE HEARING OFFICER: Let's go back on
19 the record. The first thing I want to do is give a
20 chance for the representatives of Securus to make a
21 statement if they so wish at this time.

22 MR. HOPFINGER: Yes.

23 THE HEARING OFFICER: Mr. Hopfinger,
24 please have a seat. Do you want your statement to

FACILITY	State	Rates as of	Activities are For Month unless otherwise specified	LOCAL**	INMATE**	INTERMATE**	INTERSTATE/FCC BILLING/CHRG	ADVANCE FEE CALL PROC Fee	DEPOSIT FEE W/ER/VA	DEPOSIT FEE RKBUS	PAPER BILL FEE	LIVE DEPOSIT
FEDERAL BUREAU OF PRISONS	Many	3/17/2016	COLLECT/DIRECT REMIT	0.14	0.25	0.35	0.25				\$2.00	
CECAL THERAPEUTIC EDUCATION FACILITY	AL	3/17/2016	ADVANCEPAY	0.06	0.21	0.21	0.21	\$1.19	\$3.00	\$3.00	\$2.00	N/A
LAPALMA CORRECTIONAL AZ(CCA)	AZ	3/17/2016	COLLECT/DIRECT REMIT	0.25	0.25	0.25	0.21	\$1.19	\$3.00	\$3.00	\$0.00	\$5.95
CALIFORNIA DEPARTMENT OF CORRECTIONS	CA	3/17/2016	ADVANCEPAY	0.096	0.096	0.135	0.25	\$1.19	\$3.00	\$3.00	\$2.00	\$4.75
CALIFORNIA DEPARTMENT OF JUVENILE JUSTICE	CA	3/17/2016	COLLECT/DIRECT REMIT	0.028	0.028	0.03	0.132	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COLORADO DEPARTMENT OF CORRECTIONS	CO	3/17/2016	ADVANCEPAY	0.12	0.12	0.12	0.12	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
COLORADO DEPARTMENT OF YOUTH SERVICES	CO	3/17/2016	COLLECT/DIRECT REMIT	0.11	0.11	0.11	0.11	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
KIT CANSON CORRECTIONAL CO (CCA)	CO	3/17/2016	ADVANCEPAY	0.21	0.21	0.21	0.21	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
DELAWARE DEPARTMENT OF CORRECTIONS	DE	3/17/2016	COLLECT/DIRECT REMIT	0.06	0.06	0.06	0.06	\$1.19	\$0.00	\$0.00	\$0.00	\$0.00
FL_DMS-BLACKWATER RIVER FACILITY (GEO)	FL	3/17/2016	ADVANCEPAY	0.04	0.12	0.12	0.12	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
GEO_Group FL-Bay Correctional Facility	FL	3/17/2016	COLLECT/DIRECT REMIT	0.04	0.12	0.12	0.12	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
GEO_Group FL-Graceville Correctional	FL	3/17/2016	ADVANCEPAY	0.04	0.12	0.12	0.12	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
GEO_Group FL-McIntire Haven Correctional	FL	3/17/2016	COLLECT/DIRECT REMIT	0.04	0.12	0.12	0.12	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
GEO_Group GA-D-Ray James Prison (BOP)	GA	3/17/2016	ADVANCEPAY	0.11	0.34	0.34	0.25	\$1.19	\$0.00	\$0.00	\$2.00	\$5.95
GEO_Group GA-R. A. Deyton Detention	GA	3/17/2016	COLLECT/DIRECT REMIT	0.16	0.19	0.19	0.25	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
GEORGIA DEPARTMENT OF CORRECTIONS	GA	3/17/2016	ADVANCEPAY	0.13	0.13	0.17	0.21	\$1.19	\$3.00	\$3.00	\$0.00	\$4.75
GEORGIA DEPARTMENT OF CORRECTIONS - PROTEL COIN PHONES	GA	3/17/2016	COLLECT/DIRECT REMIT	0.13	0.13	0.17	0.21	\$1.19	\$3.00	\$3.00	\$0.00	\$4.75
GWANNETT COUNTY, GA - CORRECTION COMPLEX	GA	3/17/2016	ADVANCEPAY	0.13	0.13	0.17	0.21	\$1.19	\$3.00	\$3.00	\$0.00	\$4.75
HAWAII DEPARTMENT OF CORRECTIONS	HI	3/17/2016	COLLECT/DIRECT REMIT	0.13	0.21	0.21	0.24	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
SAGUARO CORRECTIONS (State of HI) - (CCA)	HI	3/17/2016	ADVANCEPAY	0.10	0.21	0.25	0.25	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95

Exhibit 2

Agency	State	Effective Date	Code	Rate	Unit	Fee	Fee	Rate	Rate
IOWA DHS - ELDORA TRAINING SCHOOL FOR BOYS	IA	3/17/2016	COLLECT/DIRECT REMIT	0.11	0.11	0.11	0.11	0.11	\$2.00
			ADVANCEPAY	0.13	0.11	0.11	0.11	\$3.00	\$2.00
			COLLECT/DIRECT REMIT	0.24	0.24	0.24	0.24	\$0.00	\$0.00
			ADVANCEPAY	0.24	0.24	0.24	0.21	\$0.00	\$0.00
INDIANA DEPARTMENT OF CORRECTIONS	IN	3/17/2016	COLLECT/DIRECT REMIT	0.24	0.24	0.24	0.21	\$0.00	\$0.00
			ADVANCEPAY	0.24	0.24	0.24	0.21	\$0.00	\$0.00
			COLLECT/DIRECT REMIT	0.24	0.24	0.24	0.21	\$0.00	\$0.00
			ADVANCEPAY	0.24	0.24	0.24	0.21	\$0.00	\$0.00
LAKE COUNTY, IN - COMMUNITY CORRECTIONS	IN	3/17/2016	COLLECT/DIRECT REMIT	0.24	0.24	0.24	0.24	\$0.00	\$0.00
			ADVANCEPAY	0.24	0.24	0.24	0.21	\$0.00	\$0.00
			COLLECT/DIRECT REMIT	0.24	0.24	0.24	0.24	\$0.00	\$0.00
			ADVANCEPAY	0.24	0.24	0.24	0.21	\$0.00	\$0.00
GEO_GROUP IN - HERITAGE TRAILS CORRECTIONAL	IN	3/17/2016	COLLECT/DIRECT REMIT	0.40	0.40	0.40	0.25	\$2.00	\$2.00
			ADVANCEPAY	0.41	0.41	0.41	0.21	\$3.00	\$3.00
			COLLECT/DIRECT REMIT	0.40	0.40	0.40	0.25	\$2.00	\$2.00
			ADVANCEPAY	0.41	0.41	0.41	0.21	\$3.00	\$3.00
AARFS_KS-FORT LEAVENWORTH JRCE	KS	3/17/2016	COLLECT/DIRECT REMIT	0.41	0.41	0.41	0.21	\$3.00	\$3.00
			ADVANCEPAY	0.41	0.41	0.41	0.21	\$3.00	\$3.00
			COLLECT/DIRECT REMIT	0.41	0.41	0.41	0.21	\$3.00	\$3.00
			ADVANCEPAY	0.41	0.41	0.41	0.21	\$3.00	\$3.00
AARFS_KS-FORT LEAVENWORTH USDB	KS	3/17/2016	COLLECT/DIRECT REMIT	0.41	0.41	0.41	0.21	\$3.00	\$3.00
			ADVANCEPAY	0.41	0.41	0.41	0.21	\$3.00	\$3.00
			COLLECT/DIRECT REMIT	0.41	0.41	0.41	0.21	\$3.00	\$3.00
			ADVANCEPAY	0.41	0.41	0.41	0.21	\$3.00	\$3.00
MASSACHUSETTS DEPARTMENT OF CORRECTIONS	MA	3/17/2016	COLLECT/DIRECT REMIT	0.5500	0.8000	0.9500	0.2500	\$3.00	\$3.00
			ADVANCEPAY	0.5500	0.8000	0.9500	0.2500	\$3.00	\$3.00
			COLLECT/DIRECT REMIT	0.5500	0.8000	0.9500	0.2500	\$3.00	\$3.00
			ADVANCEPAY	0.5500	0.8000	0.9500	0.2500	\$3.00	\$3.00
MARYLAND DEPARTMENT OF CORRECTIONS	MD	3/17/2016	COLLECT/DIRECT REMIT	0.5500	0.8000	0.9500	0.2500	\$3.00	\$3.00
			ADVANCEPAY	0.5500	0.8000	0.9500	0.2500	\$3.00	\$3.00
			COLLECT/DIRECT REMIT	0.5500	0.8000	0.9500	0.2500	\$3.00	\$3.00
			ADVANCEPAY	0.5500	0.8000	0.9500	0.2500	\$3.00	\$3.00
MARYLAND DEPARTMENT OF JUVENILE SERVICES	MD	3/17/2016	COLLECT/DIRECT REMIT	0.5500	0.8000	0.9500	0.2500	\$3.00	\$3.00
			ADVANCEPAY	0.5500	0.8000	0.9500	0.2500	\$3.00	\$3.00
			COLLECT/DIRECT REMIT	0.5500	0.8000	0.9500	0.2500	\$3.00	\$3.00
			ADVANCEPAY	0.5500	0.8000	0.9500	0.2500	\$3.00	\$3.00
GEO-Group MI - Northlake Detention-VT DOC	MI	3/17/2016	COLLECT/DIRECT REMIT	0.14	0.19	0.19	13/21	\$1.19	\$3.00
			ADVANCEPAY	0.11	0.13	0.13	13/21	\$1.19	\$3.00
			COLLECT/DIRECT REMIT	not active yet	not active yet	not active yet	not active yet	\$3.00	\$3.00
			ADVANCEPAY	not active yet	not active yet	not active yet	not active yet	\$3.00	\$3.00
GEO-Group MI - Northlake Detention-VA DOC	MI	3/17/2016	COLLECT/DIRECT REMIT	0.20	0.20	0.20	23/25	\$1.19	\$3.00
			ADVANCEPAY	0.20	0.20	0.20	23/25	\$1.19	\$3.00
			COLLECT/DIRECT REMIT	0.20	0.20	0.20	23/25	\$1.19	\$3.00
			ADVANCEPAY	0.20	0.20	0.20	23/25	\$1.19	\$3.00
MICHIGAN DEPARTMENT OF CORRECTIONS	MI	3/17/2016	COLLECT/DIRECT REMIT	0.05	0.05	0.05	0.05	\$0.00	\$0.00
			ADVANCEPAY	0.05	0.05	0.05	0.05	\$0.00	\$0.00
			COLLECT/DIRECT REMIT	0.05	0.05	0.05	0.05	\$0.00	\$0.00
			ADVANCEPAY	0.05	0.05	0.05	0.05	\$0.00	\$0.00
MINNESOTA DEPARTMENT OF CORRECTIONS	MN	3/17/2016	COLLECT/DIRECT REMIT	0.05	0.05	0.05	0.05	\$0.00	\$0.00
			ADVANCEPAY	0.05	0.05	0.05	0.05	\$0.00	\$0.00
			COLLECT/DIRECT REMIT	0.05	0.05	0.05	0.05	\$0.00	\$0.00
			ADVANCEPAY	0.05	0.05	0.05	0.05	\$0.00	\$0.00
MINNESOTA MOOSE LAKE MSOP	MN	3/17/2016	COLLECT/DIRECT REMIT	0.05	0.05	0.05	0.05	\$0.00	\$0.00
			ADVANCEPAY	0.05	0.05	0.05	0.05	\$0.00	\$0.00
			COLLECT/DIRECT REMIT	0.05	0.05	0.05	0.05	\$0.00	\$0.00
			ADVANCEPAY	0.05	0.05	0.05	0.05	\$0.00	\$0.00
MINNESOTA SECURITY HOSPITAL	MN	3/17/2016	COLLECT/DIRECT REMIT	0.11	0.11	0.11	0.11	\$1.19	\$3.00
			ADVANCEPAY	0.05	0.05	0.05	0.05	\$0.00	\$0.00
			COLLECT/DIRECT REMIT	0.11	0.11	0.11	0.11	\$1.19	\$3.00
			ADVANCEPAY	0.05	0.05	0.05	0.05	\$0.00	\$0.00
MISSISSIPPI DEPARTMENT OF CORRECTIONS	MS	3/17/2016	COLLECT/DIRECT REMIT	0.13	0.13	0.13	0.13	\$1.19	\$3.00
			ADVANCEPAY	0.13	0.13	0.13	0.13	\$1.19	\$3.00
			COLLECT/DIRECT REMIT	0.13	0.13	0.13	0.13	\$1.19	\$3.00
			ADVANCEPAY	0.13	0.13	0.13	0.13	\$1.19	\$3.00
CROSSROADS CORRECTIONAL, MT (CCA)	MT	3/17/2016	COLLECT/DIRECT REMIT	0.16	0.16	0.16	0.16	\$1.19	\$3.00
			ADVANCEPAY	0.16	0.16	0.16	0.16	\$1.19	\$3.00
			COLLECT/DIRECT REMIT	0.16	0.16	0.16	0.16	\$1.19	\$3.00
			ADVANCEPAY	0.16	0.16	0.16	0.16	\$1.19	\$3.00
GEO_Group NC-Rivers Correctional	NC	3/17/2016	COLLECT/DIRECT REMIT	0.10	0.10	0.10	0.10	\$1.19	\$3.00
			ADVANCEPAY	0.10	0.10	0.10	0.10	\$1.19	\$3.00
			COLLECT/DIRECT REMIT	0.10	0.10	0.10	0.10	\$1.19	\$3.00
			ADVANCEPAY	0.10	0.10	0.10	0.10	\$1.19	\$3.00
NORTH CAROLINA DEPARTMENT OF CORRECTIONS	NC	3/17/2016	COLLECT/DIRECT REMIT	0.05	0.05	0.05	0.05	\$0.00	\$0.00
			ADVANCEPAY	0.05	0.05	0.05	0.05	\$0.00	\$0.00
			COLLECT/DIRECT REMIT	0.05	0.05	0.05	0.05	\$0.00	\$0.00
			ADVANCEPAY	0.05	0.05	0.05	0.05	\$0.00	\$0.00
NEBRASKA DEPARTMENT OF CORRECTIONS	NE	3/17/2016	COLLECT/DIRECT REMIT	0.05	0.05	0.05	0.05	\$0.00	\$0.00
			ADVANCEPAY	0.05	0.05	0.05	0.05	\$0.00	\$0.00
			COLLECT/DIRECT REMIT	0.05	0.05	0.05	0.05	\$0.00	\$0.00
			ADVANCEPAY	0.05	0.05	0.05	0.05	\$0.00	\$0.00
NEW JERSEY DEPARTMENT OF CORRECTIONS	NJ	3/17/2016	COLLECT/DIRECT REMIT	0.05	0.05	0.05	0.05	\$0.00	\$0.00
			ADVANCEPAY	0.05	0.05	0.05	0.05	\$0.00	\$0.00
			COLLECT/DIRECT REMIT	0.05	0.05	0.05	0.05	\$0.00	\$0.00
			ADVANCEPAY	0.05	0.05	0.05	0.05	\$0.00	\$0.00

Equivalent to less than \$0.01/min

Figure is less than 50.00/min

NEW JERSEY DEPARTMENT OF YOUTH SERVICES	NJ	3/17/2016	COLLECT/DIRECT REMIT	:01096 every 15 seconds				\$0.00	\$0.00	\$0.00		
				seconds	seconds	seconds	seconds					
GEO_Group NY-Queens Detention Facility	NY	3/17/2016	COLLECT/DIRECT REMIT	0.13	0.27	0.25	0.21	\$1.19	\$0.00	\$0.00	\$2.00	\$0.00
			ADVANCEPAY	0.13	0.25	0.25	0.21	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
NEW YORK DEPARTMENT OF CORRECTIONS	NY	3/17/2016	COLLECT/DIRECT REMIT	0.048	0.048	0.048	0.048	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
			ADVANCEPAY	0.048	0.048	0.048	0.048	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
OHIO DEPARTMENT OF REHABILITATION AND CORRECTIONS	OH	3/17/2016	COLLECT/DIRECT REMIT	0.05	0.05	0.05	0.05	\$1.19	\$0.00	\$3.00	\$2.00	\$0.00
			ADVANCEPAY	0.05	0.05	0.05	0.05	\$1.19	\$0.00	\$3.00	\$2.00	\$0.00
OHIO DEPARTMENT OF YOUTH SERVICES	OH	3/17/2016	COLLECT/DIRECT REMIT	0.05	0.05	0.05	0.05	\$1.19	\$0.00	\$3.00	\$2.00	\$5.95
			ADVANCEPAY	0.05	0.05	0.05	0.05	\$1.19	\$0.00	\$3.00	\$2.00	\$5.95
CIMARRON CORRECTIONS, OK (CCA)	OK	3/17/2016	COLLECT/DIRECT REMIT	0.20	0.20	0.20	0.20	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
			ADVANCEPAY	0.20	0.20	0.20	0.20	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
GEO_Group OK-Great Plains Correctional	OK	3/17/2016	COLLECT/DIRECT REMIT	0.13	0.34	0.34	0.25	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
			ADVANCEPAY	0.16	0.35	0.35	0.21	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
GEO_Group OK-Lawton Correctional	OK	3/17/2016	COLLECT/DIRECT REMIT	0.20	0.20	0.20	0.20	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
			ADVANCEPAY	0.20	0.20	0.20	0.20	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
OKLAHOMA DEPARTMENT OF CORRECTIONS	OK	3/17/2016	COLLECT/DIRECT REMIT	0.20	0.20	0.20	0.20	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
			ADVANCEPAY	0.20	0.20	0.20	0.20	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
GEO_Group PA-Moshannon Valley Center	PA	3/17/2016	COLLECT/DIRECT REMIT	0.07	0.25	0.25	0.25	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
			ADVANCEPAY	0.11	0.29	0.29	0.21	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
PUERTO RICO DEPARTMENT OF CORRECTIONS	PR	3/17/2016	COLLECT/DIRECT REMIT	0.21	0.37	0.37	0.25	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
			ADVANCEPAY	0.21	0.37	0.37	0.21	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
RHODE ISLAND DEPARTMENT OF CORRECTIONS	RI	3/17/2016	COLLECT/DIRECT REMIT	0.047	0.047	0.047	0.047	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
			ADVANCEPAY	0.047	0.047	0.047	0.11	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
SOUTH CAROLINA DEPARTMENT OF CORRECTIONS	SC	3/17/2016	COLLECT/DIRECT REMIT	0.13	0.11	0.11	0.11	\$1.19	\$0.00	\$0.00	\$0.00	\$0.00
			ADVANCEPAY	0.09	0.09	0.09	0.09	\$1.19	\$0.00	\$0.00	\$0.00	\$0.00
SOUTH CAROLINA DEPARTMENT OF JUVENILE JUSTICE	SC	3/17/2016	COLLECT/DIRECT REMIT	0.11	0.11	0.11	0.11	\$1.19	\$0.00	\$0.00	\$0.00	\$0.00
			ADVANCEPAY	0.11	0.11	0.11	0.11	\$1.19	\$0.00	\$0.00	\$0.00	\$0.00
SOUTH DAKOTA DEPARTMENT OF CORRECTIONS	SD	3/17/2016	COLLECT/DIRECT REMIT	0.05	0.08	0.08	0.08	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
			ADVANCEPAY	0.05	0.08	0.08	0.08	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
TENNESSEE DEPARTMENT OF CORRECTIONS	TN	3/17/2016	COLLECT/DIRECT REMIT	0.07	0.11	0.11	0.21	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
			ADVANCEPAY	0.07	0.11	0.11	0.21	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
GEO_Group TX-Joe Corley Detention - ICE inmates	TX	3/17/2016	COLLECT/DIRECT REMIT	0.15	0.15	0.15	0.15	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
			ADVANCEPAY	0.10	0.10	0.10	0.10/0.15	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
GEO_Group TX-Joe Corley Detention - Non-ICE inmates	TX	3/17/2016	COLLECT/DIRECT REMIT	0.29	0.41	0.41	0.21	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
			ADVANCEPAY	0.25	0.25	0.25	0.21	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
GEO_Group TX-Karnes Correctional Center	TX	3/17/2016	COLLECT/DIRECT REMIT	0.20	0.41	0.41	0.21	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
			ADVANCEPAY	0.25	0.25	0.25	0.21	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
GEO_Group TX-Big Spring Complex	TX	3/17/2016	COLLECT/DIRECT REMIT	0.13	0.34	0.34	0.25	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
			ADVANCEPAY	0.16	0.34	0.34	0.21	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
GEO_Group TX-Central Texas Detention	TX	3/17/2016	COLLECT/DIRECT REMIT	0.20	0.41	0.41	0.25	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
			ADVANCEPAY	0.20	0.41	0.41	0.25	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
GEO_Group TX-Reeves County Complex R1&R2	TX	3/17/2016	COLLECT/DIRECT REMIT	0.11	0.11	0.11	0.11	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
			ADVANCEPAY	0.11	0.11	0.11	0.11	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
GEO_Group TX-rho Grande Detention Center	TX	3/17/2016	COLLECT/DIRECT REMIT	0.10	0.36	0.36	0.25	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
			ADVANCEPAY	0.08	0.32	0.32	0.21	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
GEO_Group TX-Val Verde Correctional	TX	3/17/2016	COLLECT/DIRECT REMIT	0.20	0.41	0.41	0.21	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
			ADVANCEPAY	0.25	0.25	0.25	0.21	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95
VIRGINIA DEPARTMENT OF CORRECTIONS and VIRGINIA DEPARTMENT OF JUVENILE JUSTICE	VA	3/17/2016	COLLECT/DIRECT REMIT	0.0409	0.0409	0.0409	0.0409	\$1.19	\$0.00	\$0.00	\$0.00	\$0.00
			ADVANCEPAY	0.0409	0.0409	0.0409	0.0409	\$1.19	\$0.00	\$0.00	\$0.00	\$0.00

VERMONT DEPARTMENT OF CORRECTIONS	VT	3/17/2016	COLLECT/DIRECT REMIT	0.059	0.1175	0.1175	0.1175											
AAFES_WA-JOINT BASE LEWIS-MCCHORD	WA	3/17/2016	COLLECT/DIRECT REMIT	0.40	0.40	0.40	0.25	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95						
			ADVANCEPAY	0.41	0.41	0.41	0.21	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95						
WASHINGTON DEPARTMENT OF CORRECTIONS	WA	3/17/2016	COLLECT/DIRECT REMIT	0.11	0.11	0.11	0.11	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95						
			ADVANCEPAY	0.11	0.11	0.11	0.11	\$1.19	\$3.00	\$3.00	\$2.00	\$5.95						